May 2000

Important Health Benefits News for Benefits Administrators

Upcoming Events

MAY

May 17 ♦ Mailing to Medicare retirees on change from drug coinsurance back to copayments
May 31 ♦ Last day of special enrollment for July 1 health plans

JUNE

June 6 ♦ Special enrollment reason code disabled on BES

June 14 ♦ Last day to call KATY for routine address and health benefits changes

June 15 ♦ Deadline for floating enrollment changes for July 1 effective date

June 30 ♦ KATY disabled

JULY

July 1 ♦

- --New health plan contract year begins
- --Long-term care insurance goes into effect
- --Drug program for Medicareeligible retirees returns to copayments

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B.A. Bulletin

Retiree Drug Program Returns to Copayments

Medicare-eligible retirees in Advantage 65, the Drug-Only plan and Option I will experience a change in the structure of their outpatient prescription drug program on July 1. The coinsurance implemented on January 1 will return then to copayments. Here are the amounts:

Advantage 65 and Drug-Only

1) Retail Pharmacy:
up to 34-day supply
2) Retail Pharmacy:
35-90 day supply
3) Mail Service:
up to 90-day supply
\$32 copay

Option I Plan

1) Retail Pharmacy: \$22 copay up to 34-day supply
2) Retail Pharmacy: \$44 copay
35-90 day supply
3) Mail Service: \$27 copay
up to 90-day supply

Remember that the Option II plan is not affected.

BES and Special Enrollment

Benefits administrators received instructions in an April memo and at the recent meetings statewide on using the Benefits Eligibility System (BES) during special enrollment. To repeat this information:

- Special enrollment ends May 31 for employees who have health plans no longer offered as of July 1.
- June 5 is the last day to key a selection into BES.
- On June 6, the special enrollment reason code will be disabled and the default to standard Key Advantage will go into effect for all discontinued plans.



- If a member of the three discontinued HMOs (HealthKeepers, Sentara or QualChoice) wants to enroll in a plan other than standard Key Advantage, the selection is entered in BES on the PSB 301 screen using Reason Code 51 for the special enrollment. The event date is the date the enrollment form is received and there is no floating enrollment charge.
- If a member of the discontinued Key Advantage SmileKeepers plan moves to any plan other than standard Key Advantage or Key Advantage Expanded, a floating enrollment is charged.
- Membership changes are not permitted during a special enrollment. However, if a membership change is requested, a floating enrollment election is required. Use BES Reason Code 36 in this situation.

The Latest on Long-Term Care Insurance

- The enrollment period stretches from June through October 2000.
- Information will be mailed to employee and retiree homes by mid-June (tentative).
- Employee applications must be submitted on or before October 31 for coverage without providing proof of good health.